

Senate Taxes Committee
Thursday, April 6, 2006
Room 15 Capitol
Chair, Senator Lawrence J. Pogemiller

Present

Pogemiller, Chair
Tomassoni, Vice Chair
Bakk
Belanger
Betzold
Johnson
Limmer
Marty
McGinn
Ortman
Skoe

Absent

Moua

Senator Pogemiller called the meeting to order at 12:40 p.m.

A quorum was present.

Agenda Item #1: SF 3646 (Kiscaden) Extending Rochester School Districts property tax certification

1. Testimony
 - a. Jerry Williams, Rochester Superintendent
 - b. Jack Mansun, Assistant Commissioner, Department of Revenue
2. Senator Belanger moves that SF 3646 be amended as follows: on page 1, line 9, after "October" delete "31" and insert "8" and on page 1, line 11, after "2007" delete "and later" and insert "only"
 - a. Motion adopted
3. Senator Belanger moves that SF 3646, as amended, be placed on the A List
 - a. Motion adopted

Agenda Item #2: DV0017 (Skoe) Mahnomen County: Temporary county and city aids

1. Handout #1 "Payable 2006 Summary"
2. Handout #2 "Summary Comparison of Statewide Average Net Tax Capacity Rates"
3. Testimony
 - a. Karen Ahman, Mahnomen County Commissioner
 - b. Frank Thompson, Mahnomen County Auditor
 - c. Wallace E.D., Mahnomen County Commissioner
4. Senator Johnson moves that DV0017 be placed on the C List
 - a. Motion adopted

Agenda Item #3: SF 2670 (Skoe) School districts debt service equalization aid program

1. Fred Nolan, Superintendent, Foley Public Schools
2. Senator Betzold moves that SF 2670 be placed on the C List
 - a. Motion Adopted

Agenda Item #4: SF 3698 (Wiger) Market value credit reimbursement

1. Testimony
 - a. Jan Callison, Mayor, City of Minnetonka
 1. Handout #3 "Municipal Legislative Commission"
 - b. Craig Walgren, City Administrator, City of Oakdale
 - c. Ralph Teshner, Finance Director, City of Prior Lake
 1. Handout #4 "April 6, 2006"
 - d. Steve Peterson, Flaherty & Hood, Coalition of Greater Minnesota Cities
 - e. Gary Carlson, League of Minnesota Cities
2. Senator Ortman moves that SF 3698 be placed on the C List

- a. Motion adopted

Agenda Item #5: SF 2570 (Saxhaug) Property tax exemption for electric generating facility

1. Senator Ortman moves the A-2 amendment
 - a. Motion adopted
2. Senator Ortman moves the A-3 amendment
 - a. Motion adopted
3. Senator Tomassoni moves that SF 2570, as amended, be placed on the A List
 - a. Motion adopted

Agenda Item #6: SF 3754 (Saxhaug) Exemptions for public safety radio communications products

1. Senator Ortman moves that SF 3754 be placed on the A List
 - a. Motion adopted

Agenda Item #7: SF 3455 (Bakk) All terrain vehicles gasoline fuel tax modifications

1. Senator Tomassoni moves that SF 3455 be reconsidered
 - a. Motion adopted
2. Senator Bakk moves that SF 3455 be placed on the C List
 - a. Motion adopted

Agenda Item #8: SF 3332 (Rest) International economic development zone designation delay

1. Senator Limmer moves that SF 3332 be placed on the A List
 - a. Jamie Verbrugge, Rosemount City Administrator
 - b. Motion adopted

The gavel is given to Senator Skoe at 1:55 p.m.

Agenda Item #9: SF 2804 (Kubly) Agricultural homestead modification and SF 2592 (Vickerman) Agricultural homestead class rate

1. Senator Tomassoni moves the A-2 amendment for SF 2592
 - a. Motion adopted
2. Handout #5 "Minnesota Revenue"
3. Testimony
 - a. Tim Henning, Minnesota Farmers Union
 - b. Robert Moe, Ottertail County Assessor
4. Senator Pogemiller moves that SF 2804 be placed on the E List
 - a. Motion adopted
5. Senator Pogemiller moves that SF 2592, as amended, be placed on the A List
 - a. Motion adopted

Senator Pogemiller is given the gavel at 2:12 p.m.

Agenda Item #10: SF 3716 (Pogemiller) Foreign operations income treatment modifications

1. Deb Anderson
 - a. Handout #6 "Minnesota Income Tax on Foreign Source Income"
 - b. Handout #7 "Foreign operation corporations"
2. Testimony
 - a. Tom Hesse, Minnesota Chamber of Commerce
 1. Handout #8 "Corporate Franchise Tax"
 - b. Jill Larsen, Minnesota Business Partnership
3. Senator Tomassoni moves that SF 3716 be placed on the A List
 - a. Motion adopted

Agenda Item #11: SF 3516 (Cohen) Deed tax for affordable housing

1. Senator Belanger moves to amend SF 3516 as follows: on page 4, line 18, delete "or" and insert "of"
 - a. Motion adopted
2. Testimony
 - a. Warren Hanson, President of Greater Minnesota Housing Association

1. Handout #9 “Affordable Housing in Minnesota”
- b. Joe Wheeler, Southeastern Minnesota Multi-County Housing and Redevelopment Authority, Minnesota National Association of Housing and Redevelopment Officials
- c. Steve Cramer, Director, Project for Pride in Living
- d. Monica Williams, Bloomington Realtor
- e. Susan Rayes, Minnesota Alliance of Housing and Urban Development Tenants
- f. Bill Keats, Mentally Ill and Chemical Abuse (MICAH) Housing
- g. Susan Dioury, Minnesota Association of Realtors
- h. Rachel Callahan, State Policy Director, Minnesota Coalition for the Homeless
- i. Glenn Dorfman, Minnesota Realtors
3. Senator Bakk moves that SF 3516 be placed on the C List
 - a. Motion adopted

Agenda Item #12: DV0025 (Pogemiller) Uncompensated care reimbursement

1. Jeff Spartz, Director, Hennepin County Hospital
2. Senator Belanger moves to place DV0025 on the A List
 - a. Motion adopted

Agenda Item #13: SF 2475 (Skoe) Modifying LGA formula

1. Senator Skoe moves the A-2 amendment
 - a. Motion adopted
2. Testimony
 - a. Larry Buboltz, Mayor, City of Detroit Lakes
 - b. Steve Peterson, Coalition of Greater Minnesota Cities
 1. Handout #10 “Local Government Aid”
 2. Handout #11 “Local Government Aid helps low income Minnesotans”
 - c. Jennifer O’Rourke, League of Minnesota Cities
 1. Handout #12 “Projected 2007 LGA”
3. Senator Skoe moves that SF 2475 be placed on the C List
 - a. Motion adopted

Agenda Item #14: Detroit Lakes Tax Increment Financing

1. Larry Buboltz, City of Detroit Lakes
2. Senator Skoe moves that the Detroit Lakes TIF provision be placed on the B List
 - a. Motion adopted

Agenda Item #15: DV0031 (Limmer) City aid base

1. Senator Limmer moves that DV0031 be placed on the C List
 - a. Motion adopted

Agenda Item #16: SF 3632 (Belanger) Eliminating the growth factor in the state general levy

1. Senator Marty moves to place SF 3632 on the E List
 - a. Motion adopted

Agenda Item #17: DV0029 (Skoe) Bovine testing credit

1. Set aside

Agenda Item #18: A-JM38-1 (Tomassoni) Taconite tax

1. Set aside

Agenda Item #19: Discussion on possible amendments

Agenda Item #20: DV0018 (Betzold) Commuter rail materials, supplies, and equipment

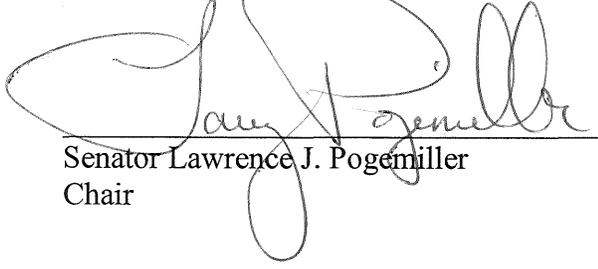
1. Set aside

Agenda Item #21: DV0019 (Betzold) Petroleum products

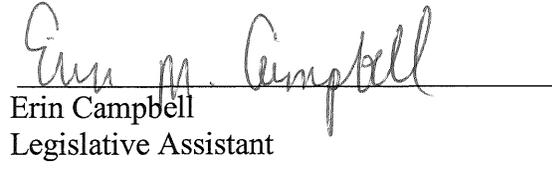
1. Set aside

Senator Pogemiller adjourned the meeting at 5:15 p.m.

Respectfully Submitted:



Senator Lawrence J. Pogemiller
Chair



Erin Campbell
Legislative Assistant

Senate Tax Committee
Thursday, April 6, 2006
Immediately After Session, Room 15 Capitol

Agenda

SF 3516 (Cohen) Deed tax for affordable housing

Warren Hanson, President of Greater MN Housing Association
Steve Cramer, Director of Project for Pride in Living
Monica Williams, Realtor
Brian Marcum, Tenant, Home Line
Susan Dioury, MN Association of Realtors

SF 2804 (Kubly) Agricultural homestead modification

SF 2592 (Vickerman) Agricultural homestead class rate

Tim Henning, MN Farmers Union
Tom Petersen, MN Farmers Union

SF 3646 (Kiscaden) Extending Rochester School District property tax certification date

SF 2670 (Skoe) School districts debt service equalization aid program

Fred Nolan, Superintendent, Foley public schools

SF 2475 (Skoe) Modifying LGA formula

Larry Buboltz, Mayor, City of Detroit Lakes

SF 3698 (Wiger) Market value credit reimbursement – won't be here until noon

Gary Carlson, League of MN Cities
Tim Flaherty, Coalition of Greater Minnesota Cities
Jan Callison, Mayor of Minnetonka, representing the Municipal Legislative Commission

SF 2570 (Saxhaug) Property tax exemption for electric generating facility

Carol A. Overland
Ron Gustafson

SF XXXX (Saxhaug) Exemptions for public safety radio communication products

SF 3716 (Pogemiller) Foreign operations income treatment modifications

Deb Anderson

SF 3632 (Belanger) Eliminating the growth factor in the state general levy

SF 3332 (Rest) International economic development zone designation delay

Morrie Anderson

Discussion regarding uncompensated care and fiscal disparities

Chair
Senator Larry Pogemiller

Legislative Assistant
Erin Campbell